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June 26, 2006

RECEIVED

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**PUBLIC SERVICE
COMMISSION**

Hon. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

**Re: *In the Matter of: Mountain Rural Telephone Cooperative Corporation,
Inc. v. Kentucky Alltel, Inc., Case No. 2006-00198***

Dear Ms. O'Donnell:

The purpose of this letter is to provide the Kentucky Public Service Commission (the "Commission") with an itemization of the undisputed, unpaid facilities charges associated with switched access services provided by Mountain Rural Telephone Cooperative Corporation, Inc. ("Mountain Telephone") to Kentucky Alltel, Inc. ("Alltel"). This itemization was requested in response to Mountain Telephone's termination letter to Alltel for failure to pay undisputed charges.

As the attached chart demonstrates, the amount of the undisputed, unpaid facilities charges is \$37,425.90, as Mountain Telephone has always contended. In an effort to accommodate the Commission's request that counsel provide an oral itemization of the charges on June 20, 2006, counsel reviewed the CABs bills in the absence of Ms. Angela Pennington, the Mountain Telephone employee who oversees the rendering of the CABs bills, who was on vacation last week. In so doing, counsel inadvertently understated the amount of the outstanding charges. The undisputed, unpaid facilities charges total \$37,425.90 as the supporting documentation reflects.

Although the Commission instructed Alltel to provide verification that it paid the facilities charges, it has not done so; moreover, it cannot do so. Alltel has not paid any of the \$37,425.90 in facilities charges, nor has it disputed the charges. Pursuant to 807 KAR 5:006, Section 11, Alltel's account cannot be deemed current. Thus, Alltel is still subject to termination of services by Mountain Telephone. Accordingly, we encourage Alltel to make arrangements to

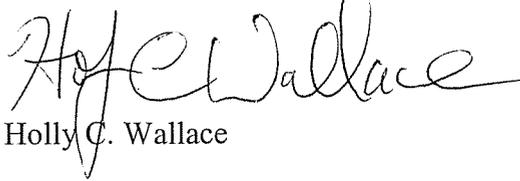
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terminate traffic via an interexchange carrier such as Alltel Communications, Inc. Mountain Telephone will not terminate Alltel, however, without advance notice to both the Commission and Alltel.

Thank you, and if you have any questions with regard to this matter, please call me.

Very truly yours,

DINSMORE & SHOHL LLP

A handwritten signature in black ink that reads "Holly C. Wallace". The signature is written in a cursive style with a large, stylized "H" and "W".

Holly C. Wallace

HCW/rk
Enclosures

cc: Amy Dougherty, Esq.
Kimberly Bennett, Esq.
Mark Overstreet, Esq.
John E. Selent, Esq.

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bcc: Shayne Ison
Angela Pennington
Eileen Bodamer

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ITEMIZATION OF UNDISPUTED, UNPAID FACILITIES CHARGES

CABs Summary Statement

Prior Balance

Current Charges

Bill Date	Usage Date	Prior Balance	Payment	Adjustment	Facility	Tax	Total	Amount owed
Dec-05	Dec 2005	\$	\$	\$ 18,016.43*	\$ 7,296.80	\$ 437.81	\$ 7,734.61	\$ 25,751.04
Jan-06	Jan 2006	\$ 25,751.04	\$	\$	\$ 7,296.80	\$	\$ 7,296.80	\$ 33,047.84
Feb-06	Feb 2006	\$ 33,047.84	\$	\$	\$ 7,296.80	\$	\$ 7,296.80	\$ 40,344.64
Mar-06	Mar2006	\$ 40,344.64	\$	\$	\$ 7,296.80	\$	\$ 7,296.80	\$ 47,641.44
Apr-06	Apr2006	\$ 47,641.44	\$	\$	\$ 7,296.80	\$	\$ 7,296.80	\$ 54,938.24
May-06	May 2006	\$ 54,938.24	\$	\$	\$ 7,296.80	\$	\$ 7,296.80	\$ 62,235.04
Jun-06	Jun 2006	\$ 62,235.04	\$	\$ (26,754.95)**	\$ 1,945.81	\$	\$ 1,945.81	<u>\$ 37,425.90</u>

*Detail of \$18,016.43 Adjustment Reflected on December 2005 CABs Bill

Bill Date	Usage Date	Facility	Tax	Total	Bell Portion	AllTel
None	Jun 2004- Mar 2005	\$73,695.86	\$ 4,421.75	\$ 78,117.61	\$67,104.22	\$ 11,013.39
None	Apr 2005	\$ 7,296.80	\$ 437.81	\$ 7,734.61	\$ 6,736.84	\$ 997.76
None	May 2005	\$ 7,296.80	\$ 437.81	\$ 7,734.61	\$ 6,812.74	\$ 921.86
None	Jun 2005	\$ 7,296.80	\$ 437.81	\$ 7,734.61	\$ 6,934.69	\$ 799.92
None	Jul 2005	\$ 7,296.80	\$ 437.81	\$ 7,734.61	\$ 7,077.19	\$ 657.42
None	Aug 2005	\$ 7,296.80	\$ 437.81	\$ 7,734.61	\$ 6,871.94	\$ 862.67
None	Sep 2005	\$ 7,296.80	\$ 437.81	\$ 7,734.61	\$ 6,966.73	\$ 767.88
None	Oct2005	\$ 7,296.80	\$ 437.81	\$ 7,734.61	\$ 6,736.84	\$ 997.76
None	Nov2005	\$ 7,296.80	\$ 437.81	\$ 7,734.61	\$ 6,736.84	<u>\$ 997.76</u>
						\$18,016.43 Adjusted Dec 2005

**Detail of \$26,754.95 Credit Reflected on June 2006 CABs Bill

Bill Date	Usage Date	Removed	Added	Met Adjustment
Jan-06	Jan 2006	\$ (7,296.80)	\$1,945.81	
Feb-06	Feb 2006	\$ (7,296.80)	\$1,945.81	
Mar-06	Mar 2006	\$ (7,296.80)	\$1,945.81	
Apr-06	Apr 2006	\$ (7,296.80)	\$1,945.81	
May-06	May 2006	<u>\$ (7,296.80)</u>	<u>\$1,945.81</u>	
		\$ (36,484.00)	\$9,729.05	\$ (26,754.95) Adjusted Jun 2006 invoice